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THE HON. SRI H. SITARAMA REDDI :—"It is shared equally by the Centre and the State."

Imposition of sales tax on handloom goods.

*4 *Q.*—SRI R. SURYANARAYANA RAO : Will the Hon. the Minister for Finance be pleased to state—

(*a*) whether the Government are in receipt of a representation from the dealers in handloom cloth of Rayadrug in Bellary district, regarding the imposition of sales tax for the first time under section 5 (iii) of the Madras General Sales Tax Act;

(*b*) whether the Government have examined the interpretation now put by the officers of the Commercial Tax department; and

(*c*) whether, in view of the effect such interpretation has on trade in handloom cloth, the Government have under consideration any measure to give relief to dealers in handloom goods?

THE HON. SRI B. GOPALA REDDI :—"(*a*) *to* (*c*) Yes. In the latter half of January last a representation was received from certain dealers in handloom cloth in Rayadrug, Bellary district, complaining that their transactions in handloom cloth were assessed to sales tax. It was transferred to the Board of Revenue (Commercial Taxes) for disposal."

SRI R. SURYANARAYANA RAO :—"May I know whether the Government are the final authority in the matter of any decision of the Board or the Board is the final authority?"

THE HON. SRI B. GOPALA REDDI :—"In these matters the Board is the final authority and if anybody is aggrieved, he can challenge the decision of the Board in a court of law."

SRI R. SURYANARAYANA RAO :—"When the interpretation of a certain section of the Act is involved, have the Government taken legal opinion before referring the matter to the Board?"

THE HON. SRI B. GOPALA REDDI :—"The parties concerned, I think, did not seem to have appeared before the Commercial Tax Officer or the Board of Revenue. In the first instance, they must go to those authorities and if need be, of course the Government will certainly consult legal opinion."

DR. V. K. JOHN :—"Will the Government consider the question to what extent sales tax has put up the cost of living?"

THE HON. SRI B. GOPALA REDDI :—"I know what I am getting under sales tax. How far it has affected the structure of prices in the State, I am unable to say."

DR. V. K. JOHN :—"Are not the Government interested in the rise in the cost of living in this State?"

THE HON. SRI B. GOPALA REDDI :—"Sir, it is put down as far as possible in the interests of everybody."

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DR. V. K. JOHN :—" Is there anything like a survey made as to how far the cost of living has been adversely affected by the imposition and collection of sales tax, particularly on commodities which are essential commodities? "

THE HON. SRI B. GOPALA REDDI :—" Whatever it is, I cannot give up sales tax just now in view of the present financial stringency of the State Government, and no useful purpose will be served by a general survey of that kind."

SRI R. SURYANARAYANA RAO :—" May I know whether it is a fact that there is great distress among handloom weavers and that the handloom cloth does not find a market and if so, have the Government examined the necessity of removing this sales tax so that handloom cloth may find easy sale? "

THE HON. SRI B. GOPALA REDDI :—" I do not agree that sales tax is sitting very oppressive on the handloom cloth and that it is the reason for its non-disposal. If it is made out that if this last straw, as it is called, is removed, the general position of the handloom cloth will be all right, then certainly we shall consider it but I do not think it is so."

DR. V. K. JOHN :—" Are the Government aware that handloom goods worth about five crores of rupees lie unsold in this State? "

THE HON. SRI B. GOPALA REDDI :—" I do not know the figures but we are trying to give some relief to those districts where relief is needed, and that fact is embodied in my Budget speech."

Political sufferers who applied for lands in the West Godavari district.

* 5 Q.—SRI M. NARAYANA RAO : Will the Hon. the Minister for Land Revenue be pleased to state—

(a) the number of political sufferers that have applied for lands in the West Godavari district;

(b) how many of them have been granted lands by the end of December 1949;

(c) by what time the Government expect to assign lands for the remaining applicants;

(d) whether it is a fact that the applicants residing in one taluk have been granted lands in another taluk overlooking the applicants' residence in the taluk; and

(e) whether any instructions have been issued regarding the method of distribution of lands?

THE HON. SRI H. SITARAMA REDDI :—" (a) One thousand six hundred and thirty-nine until the end of November 1949.

" (b) Three hundred and fifty-nine (till the end of November 1949).

" (c) The Government are not in a position to say by what date lands will be assigned to all applicants. Everything possible is, however, being done to complete the work without delay.